

**FORM
INSP**Rev
X/20**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

02/07/2023

Submitted Date:

02/08/2023

Document Number:

702500873**FIELD INSPECTION FORM**

Loc ID 435806 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____

Operator Information:OGCC Operator Number: 10456Name of Operator: CAERUS PICEANCE LLCAddress: 1001 17TH STREET #1600City: DENVER State: CO Zip: 80202**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**38 Number of Comments4 Number of Corrective Actions☒ Corrective Action Response Requested**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

| Contact Name | Phone | Email | Comment |
|-----------------|----------------|---|---------|
| , Caerus | (970) 285-2600 | COGCC.inspections@caerus oilandgas.com | |
| Kellerby, Shaun | (970) 712-1248 | shaun.kellerby@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 435798 | WELL | PR | 03/20/2014 | GW | 045-22297 | NOLTE 44B-14 | PR |
| 435799 | WELL | PR | 07/09/2014 | GW | 045-22298 | NOLTE 13B-13 | PR |
| 435800 | WELL | PR | 03/11/2014 | GW | 045-22299 | NOLTE 11B-24 | PR |
| 435801 | WELL | PR | 04/08/2014 | GW | 045-22300 | NOLTE 14C-13 | PR |
| 435802 | WELL | PR | 07/18/2014 | GW | 045-22301 | NOLTE 44A-14 | PR |
| 435803 | WELL | SI | 04/01/2022 | GW | 045-22302 | NOLTE 43C-14 | SI |
| 435804 | WELL | PR | 03/23/2014 | GW | 045-22303 | NOLTE 11A-24 | PR |
| 435805 | WELL | PR | 09/17/2014 | GW | 045-22304 | NOLTE 14D-13 | PR |
| 435807 | WELL | PR | 07/21/2014 | GW | 045-22305 | NOLTE 13D-13 | PR |
| 435808 | WELL | PR | 03/15/2014 | GW | 045-22306 | NOLTE 44C-14 | PR |
| 435809 | WELL | PR | 05/08/2014 | GW | 045-22307 | NOLTE 13C-13 | PR |
| 435810 | WELL | PR | 07/05/2014 | GW | 045-22308 | NOLTE 13A-13 | PR |
| 435811 | WELL | PR | 07/12/2014 | GW | 045-22309 | NOLTE 43B-14 | PR |
| 435812 | WELL | PR | 04/24/2014 | GW | 045-22310 | NOLTE 14A-13 | PR |
| 435813 | WELL | PR | 04/12/2014 | GW | 045-22311 | NOLTE 14B-13 | PR |
| 435814 | WELL | PR | 07/11/2014 | GW | 045-22312 | NOLTE 43A-14 | PR |
| 435989 | WELL | SI | 11/01/2022 | GW | 045-22325 | NOLTE 11C-24 | SI |

General Comment:

COGCC Inspection Report Summary

On Tuesday, 02/07/2023, at approximately 9:30 AM, Inspector Kirby Burchett, conducted a routine field inspection at Caerus Piceance LLC on the Nolte 14-796 Pad, Location #435806, in Garfield County, Colorado. This location is within or in close proximity to a CPW Black Bear/High Priority/NSO/Density Habitat Wildlife Management Area and 411.a. Public Water System Protection Area.

Any Corrective Actions from previous Inspections are still applicable.

While there, I observed normal production operations. During this inspection the following compliance issues were observed:

1. Random debris
2. Loadlines with open ends.
3. Tank labels missing or illegible.

A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

LocationOverall Good: ☐

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Several tank labels missing or needing to be replaced. | | |
| Corrective Action: | All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: Name of Operator; Operator's emergency contact telephone number; Tank capacity; Tank contents; and NFPA label or equivalent globally harmonized label. | Date: | 03/08/2023 |
| Type | OTHER | | |
| Comment: | Separator units include attached storage tanks. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: 911 / (866) 580-9382

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | DEBRIS | | |
| Comment: | Random debris at wellheads and inside tank battery | | |
| Corrective Action: | All trash, rubbish, and other waste material will be properly contained until removed from the Oil and Gas Location. At no time will trash, debris, or rubbish be placed or remain on the ground. | Date: | 02/15/2023 |

Overall Good: ☐

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|------------------|-------|--|
| Fencing/: | | | |
| Type | WELLHEAD | | |
| Comment: | Livestock panels | | |
| Corrective Action: | | Date: | |
| Type | SEPARATOR | | |
| Comment: | Barbed wire | | |
| Corrective Action: | | Date: | |
| Type | TANK BATTERY | | |

| | | | | |
|-----------------------------------|---|--|-------|-----------------|
| Comment: | Livestock panels and barbed wire | | Date: | |
| Corrective Action: | | | Date: | |
| Type | LOCATION | | | |
| Comment: | Barbed wire | | | |
| Corrective Action: | | | Date: | |
| Equipment: | | | | corrective date |
| Type: Plunger Lift | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |
| Type: Other | # 1 | | | |
| Comment: | Injection well | | | |
| Corrective Action: | | | Date: | |
| Type: Pig Station | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |
| Type: Dehydrator | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |
| Type: Gas Meter Run | # 17 | | | |
| Comment: | Each well metered at separators | | | |
| Corrective Action: | | | Date: | |
| Type: Ancillary equipment | # 3 | | | |
| Comment: | Chemical tanks on plastic containment | | | |
| Corrective Action: | | | Date: | |
| Type: Bird Protectors | # 11 | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |
| Type: Horizontal Heated Separator | # 17 | | | |
| Comment: | 4 Quad, 1 Single unit | | | |
| Corrective Action: | | | Date: | |
| Type: Bradenhead | # 18 | | | |
| Comment: | No automated monitoring equipment installed on Bradenheads. All Bradenhead valves are accessible. | | | |
| Corrective Action: | | | Date: | |
| Type: Gas Meter Run | # 1 | | | |
| Comment: | Gathering line | | | |
| Corrective Action: | | | Date: | |
| Type: Emission Control Device | # 1 | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |
| Type: Gathering Line | # 1 | | | |

| | | |
|--------------------|-------------------------------|-------|
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Prime Mover | # 1 | |
| Comment: | Injection pump inside housing | |
| Corrective Action: | | Date: |

Tanks and Berms:

| | | | | | |
|--------------------|-------------------------|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| GLYCOL | 1 | <50 BBLS | STEEL AST | | , |
| Comment: | Inside Dehy containment | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| | | | | | |
|--------------------|--|----------|-----------|---------|------------------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| PRODUCED WATER | 4 | 400 BBLS | STEEL AST | | , |
| Comment: | Open end loadlines | | | | |
| Corrective Action: | All load lines will be bull plugged or capped. | | | | Date: 02/15/2023 |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| | | | | | |
|--------------------|--|----------|-----------|---------|------------------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CONDENSATE | 5 | 400 BBLS | STEEL AST | | , |
| Comment: | Open end loadlines | | | | |
| Corrective Action: | All load lines will be bull plugged or capped. | | | | Date: 02/15/2023 |

Paint

| | |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

| | |
|------------------|--|
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | | |
|--------------------|----------|---------------------|---------------------|-------------|-------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| Metal | Adequate | Walls Sufficent | Base Sufficent | Adequate | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Venting:

| | | | |
|--------------------|----|--|-------|
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Flaring:

| | | | |
|--------------------|--|--|-------|
| Type | | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| Inspected Facilities | | | | |
|--|------------|-----------------------|------------|------------------|
| Facility ID: 435798 | Type: WELL | API Number: 045-22297 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: Plunger lift | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435799 | Type: WELL | API Number: 045-22298 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: Plunger lift | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435800 | Type: WELL | API Number: 045-22299 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: Plunger lift | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435801 | Type: WELL | API Number: 045-22300 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: Plunger lift | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435802 | Type: WELL | API Number: 045-22301 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: Plunger lift | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435803 | Type: WELL | API Number: 045-22302 | Status: SI | Insp. Status: SI |
| Idle Well | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: Plunger lift Last Produced March 2022 | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435804 | Type: WELL | API Number: 045-22303 | Status: PR | Insp. Status: PR |
| Producing Well | | | | |
| Comment: Plunger lift | | | | |
| Corrective Action: | | Date: | | |
| Facility ID: 435805 | Type: WELL | API Number: 045-22304 | Status: PR | Insp. Status: PR |

| <u>Producing Well</u> | | | | |
|--|--------------|--|-------|--|
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435807 Type: WELL API Number: 045-22305 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435808 Type: WELL API Number: 045-22306 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435809 Type: WELL API Number: 045-22307 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435810 Type: WELL API Number: 045-22308 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435811 Type: WELL API Number: 045-22309 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435812 Type: WELL API Number: 045-22310 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435813 Type: WELL API Number: 045-22311 Status: PR Insp. Status: PR | | | | |
| <u>Producing Well</u> | | | | |
| Comment: | Plunger lift | | | |
| Corrective Action: | | | Date: | |
| Facility ID: 435814 Type: WELL API Number: 045-22312 Status: PR Insp. Status: PR | | | | |

Producing WellComment: [Plunger lift](#)

Corrective Action:

Date:

Facility ID: 435989 Type: WELL API Number: 045-22325 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: [Plunger lift](#)
[Last produced October 2022](#)

Corrective Action:

Date:

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|-----------------------|
| Drains | | | | | | |
| | | Gravel | | | | |
| | | Compaction | | | | |
| | | Ditches | | | | |
| | | Sediment Traps | | | | |
| | | Culverts | | | | |
| Compaction | | | | | | Lack of stabilization |
| Gravel | | | | | | |
| Ditches | | | | | | |
| Sediment Traps | | | | | | |
| Berms | | | | | | |

Comment: Lack of stabilization around tank batteryCorrective Action: Date: Pits: ☒ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|----------------------|---|
| 403322120 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6022631 |
| 702500874 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6022616 |